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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): December 2, 2013**

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**VANDA PHARMACEUTICALS INC.**  
(Exact name of Registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction of incorporation)

**001-34186**  
(Commission  
File No.)

**03-0491827**  
(IRS Employer  
Identification No.)

**2200 Pennsylvania Avenue NW  
Suite 300E  
Washington, DC 20037**  
(Address of principal executive offices and zip code)

**Registrant's telephone number, including area code: (202) 734-3400**

**Not Applicable**  
(Former Name or Former Address, if Changed Since Last Report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On December 2, 2013, the Compensation Committee of the Board of Directors (the "Compensation Committee") of Vanda Pharmaceuticals Inc. (the "Company") awarded 2013 annual bonuses and equity incentive awards to and approved 2014 annual base salaries and 2014 bonus target amounts for certain of the Company's named executive officers. Prior to approving the foregoing, the Compensation Committee reviewed an analysis of the Company's executive compensation compared to the Company's peer group conducted by Towers Watson, a compensation consultant engaged by the Compensation Committee.

The Compensation Committee awarded bonuses for performance for the twelve-month period ending December 31, 2013, in the amounts set forth opposite the names of the executive officers listed below.

<u>Name</u>	<u>Position</u>	<u>2013 Bonus</u>
Mihael Polymeropoulos, M.D.	President and Chief Executive Officer	\$ 354,063
Paolo Baroldi, M.D.	Senior Vice President and Chief Medical Officer	\$ 160,000
James Kelly	Senior Vice President, Chief Financial Officer, Secretary and Treasurer	\$ 157,500

The Compensation Committee approved 2014 annual base salaries and 2014 bonus target amounts for the twelve-month period ending December 31, 2014, in the amounts set forth opposite the names of the executive officers listed below.

<u>Name</u>	<u>Position</u>	<u>2014 Base Salary</u>	<u>2014 Target Bonus</u>
Mihael Polymeropoulos, M.D.	President and Chief Executive Officer	\$ 580,000	60% of 2014 Base Salary
Paolo Baroldi, M.D.	Senior Vice President and Chief Medical Officer	\$ 360,000	40% of 2014 Base Salary
James Kelly	Senior Vice President, Chief Financial Officer, Secretary and Treasurer	\$ 360,000	40% of 2014 Base Salary

In addition, the Compensation Committee granted (i) options to purchase shares of the Company's common stock at an exercise price equal to \$11.59 per share, the closing price of the Company's common stock on the Nasdaq Global Market on December 2, 2013, and (ii) restricted stock unit ("RSU") awards under the Company's 2006 Equity Incentive Plan to its executive officers in the amounts set forth opposite the names of the executive officers listed below. The options will vest in equal monthly installments over a period of four years from the date of the grant. The RSUs will vest in four equal annual installments beginning on January 1, 2015.

<u>Name</u>	<u>Position</u>	<u>Number of Shares Underlying Option Grant</u>	<u>Number of Shares Underlying RSU Award</u>
Mihael Polymeropoulos, M.D.	President and Chief Executive Officer	150,000	50,000
Paolo Baroldi, M.D.	Senior Vice President and Chief Medical Officer	60,000	20,000
James Kelly	Senior Vice President, Chief Financial Officer, Secretary and Treasurer	60,000	20,000

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

VANDA PHARMACEUTICALS INC.

By: /s/ James P. Kelly  
Name: James P. Kelly  
Title: Senior Vice President, Chief Financial  
Officer, Secretary, and Treasurer

Dated: December 5, 2013